

## SENATE BILL NO. 217

INTRODUCED BY J. ELLIOTT

A BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING AUTOMATIC UTILITY RATE ADJUSTMENT AND TRACKING FOR TAXES AND FEES; AMENDING SECTIONS 69-3-302 AND 69-3-303, MCA; AND REPEALING SECTION 69-3-308, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1.** Section 69-3-302, MCA, is amended to read:

**"69-3-302. Changes in schedules.** (1) ~~Except as provided in 69-3-308, a~~ A change may not be made in any schedule, including schedules of joint rates, except as approved by the commission, upon the passage of 9 months, or by operation of 69-3-907(1). If the 9-month time period expires prior to commission approval of a schedule, a utility may waive the time period.

(2) Notwithstanding any provision of this title to the contrary, ~~other than rate adjustments made pursuant to 69-3-308,~~ the rates, tolls, or charges set forth in any schedule filed with the commission pursuant to 69-3-301 must become effective and be lawful rates, tolls, or charges for the utility service rendered 9 months after the date upon which the schedule was filed under the rules of practice and procedure for filing as adopted by the commission or upon commission approval, whichever occurs first, unless the utility waives the 9-month time period. However, if the rates, tolls, or charges become effective because of the passage of 9 months, the revenue collected is subject to rebate, plus interest at an annual rate determined by the commission, to the extent that the rates, tolls, or charges ultimately approved by the commission in its final decision produce revenue that is less than that collected under the filed schedules. In the case of an investor-owned utility, the interest rate set by the commission may not exceed the cost of equity capital as last determined by the commission.

(3) The commission may prescribe rules necessary to effectively administer this section."

**Section 2.** Section 69-3-303, MCA, is amended to read:

**"69-3-303. Notice and hearing on proposed change.** (1) ~~Except as provided in 69-3-308, before~~ Before the commission may approve any change increasing the rate or rates for utility service in a schedule generally affecting consumers in a utility's service area or before any change may become effective ~~due to~~

1 because of the passage of 9 months, the commission shall publish a notice of the proposed change, conforming  
2 to the requirements of 2-4-601 in one or more newspapers published and of general circulation within the area  
3 affected by the proposed change. This notice must announce a hearing on the proposed change and must inform  
4 interested persons as to how they may petition the commission to become parties to the hearing.

5 (2) The commission shall proceed to conduct the hearing under the Montana Administrative Procedure  
6 Act. The final decision of the commission in any matter decided after a hearing conducted pursuant to this section  
7 must conform to the requirements of a decision in a contested case under the Montana Administrative Procedure  
8 Act.

9 (3) The consumer counsel may petition to become a party to the hearing."  
10

11 NEW SECTION. **Section 3. Repealer.** Section 69-3-308, MCA, is repealed.  
12

- END -